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Billing Code: 5001-06

**DEPARTMENT OF DEFENSE** 

Office of the Secretary

[Transmittal No. 17-50]

Arms Sales Notification

**AGENCY:** Defense Security Cooperation Agency, Department of Defense.

**ACTION:** Arms sales notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Pamela Young, (703) 697-9107,

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DSCA/DSA-RAN.

**SUPPLEMENTARY INFORMATION:** This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 17-50 with attached Policy Justification and Sensitivity of Technology.

Dated: January 11, 2018.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



## DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203 AHLINGTON, VA 22202-5408

JAN 0 5 2018

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control

Act, as amended, we are forwarding herewith Transmittal No. 17-50, concerning the Air Force's

proposed Letter(s) of Offer and Acceptance to the Government of the Oman for defense articles

and services estimated to cost \$62 million. After this letter is delivered to your office, we plan to

issue a news release to notify the public of this proposed sale.

Sincerely.

Charles W. Hooper / Lieutenant General, USA

Director

### Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified document provided under separate cover)



#### Transmittal No. 17-50

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Oman

(ii) Total Estimated Value:

Major Defense Equipment\* \$ 0 million
Other \$ 62 million
TOTAL \$ 62 million

(iii) <u>Description and Quantity or Quantities of Articles or Services under Consideration for Purchase</u>: The Government of Oman has requested a possible sale of items and services to support an incremental Operational Flight Profile (OFP) software upgrade for F-16 subsystems, as well as Identification Friend or Foe (IFF) and secure communications equipment for Mode 5 operations, on twenty-three (23) F-16 aircraft.

Major Defense Equipment (MDE): None

#### Non-MDE includes:

Non-MDE items and services consist of twenty-nine (29) KIV-78 cryptographic/timing modules (twenty-three (23) installed and six (6) spares); twenty-nine (29) KY-100M cryptographic radio encryptors (twenty-three (23) installed and six (6) spares); twenty-nine (29) AN/APX-126 Combined Interrogator Transponders (twenty-three (23) installed and six (6) spares); Classified and Unclassified Computer Program Identification Numbers (CPINS) upgrades; OFP upgrades for IFF Mode 5 capable systems; Joint Mission Planning (JMPS) upgrade; Sniper Advanced Targeting Pod software, service support, support equipment, spares, and training; systems support and test equipment; spare and repair parts; publications and technical documentation; training and training equipment; U.S. Government and contractor engineering; logistics and technical support services; and other related elements of logistics and program support.

- (iv) Military Department: Air Force (MU-D-QAR)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense Services</u> Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: January 5, 2018
- \*As defined in Section 47(6) of the Arms Export Control Act.

## **POLICY JUSTIFICATION**

# Oman – F-16 Operational Flight Profile and Identification Friend or Foe Mode 5 Upgrade

The Government of Oman has requested a possible sale of items and services to support an incremental Operational Flight Profile (OFP) software upgrade for F-16 subsystems, as well as Identification Friend or Foe (IFF) and secure communications equipment for Mode 5 operations on twenty-three (23) F-16 aircraft. Non-MDE items and services consist of twenty-nine (29) KIV-78 cryptographic/timing modules (twenty-three (23) installed and six (6) spares); twenty-nine (29) KY-100M cryptographic radio encryptors (twenty-three (23) installed and six (6) spares); twenty-nine (29) AN/APX-126 Combined Interrogator Transponders (twenty-three (23) installed and six (6) spares); Classified and Unclassified Computer Program Identification Numbers (CPINS) upgrades; OFP upgrades for IFF Mode 5 capable systems, Joint Mission Planning (JMPS) upgrade; Sniper Advanced Targeting Pod software, service support, support equipment, spares, and training; systems support and test equipment; spare and repair parts; publications and technical documentation; training and training equipment; U.S. Government and contractor engineering; logistics and technical support services; and other related elements of logistics and program support. The estimated cost is \$62 million.

This proposed sale will support the foreign policy and national security objectives of the United States by helping to improve the security of a friendly country which has been, and continues to be, an important force for political stability and economic progress in the Middle East.

The proposed sale allows the U.S. military to support the Royal Air Force of Oman, further strengthen the U.S.-Omani military-to-military relationship, and ensure continued interoperability of forces and opportunities for bilateral training and exercises with Oman's military forces.

This proposed sale of items and services will enable Oman's twenty-three (23) F-16s currently using Mode 4 IFF to become interoperable on Mode 4/5. Mode 5 IFF allows U.S. and partner airborne and surface armed forces to conduct complimentary air operations. Incremental OFP software upgrades required to support Mode 5 will provide additional incremental improvement for other associated F-16 subsystems. Oman will have no difficulty in absorbing these upgrades into its F-16 fleet.

This proposed sale of equipment and support will not alter the basic military balance in the region.

The prime contractor will be Lockheed Martin of Fort Worth, Texas. There are no known offset agreements proposed in conjunction with this potential sale.

The proposed sale will not require the long-term assignment of any additional U.S. Government or contractor representatives to Oman.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

#### Transmittal No. 17-50

# Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

# Annex Item No. vii

# (vii) Sensitivity of Technology:

- 1. This proposed sale of items and services to upgrade Oman's F-16 aircraft will involve the release of sensitive technology related to the Identification Friend or Foe (IFF) and secure communications equipment.
- 2. The AN/APX-126 Combined Interrogator Transponder is an IFF dual Mode 4 and 5 capable system. It is UNCLASSIFIED unless/until Mode 4 and/or Mode 5 operational evaluator parameters are loaded into the equipment, which are classified up to SECRET. Classified elements of the IFF system include software object code, operating characteristics, parameters, and technical data. Mode 4 and Mode 5 anti-jam performance specifications/data, software source code, algorithms, and tempest plans or reports will not be offered, released, discussed, or demonstrated.
- 3. KIV-78 is a crypto appliqué for Mode 5 IFF. The hardware is UNCLASSIFIED unless loaded with Mode 4 and/or Mode 5 classified elements, which are classified up to SECRET.
- 4. KY-100M is a cryptographic encryptor for voice radios to provide secure communication capabilities. The hardware is UNCLASSIFIED unless loaded with cryptograph keys, which are classified up to SECRET.
- 5. Joint Mission Planning System (JMPS) is a multi-platform, PC-based mission planning system. JMPS hardware is UNCLASSIFIED, but the software is classified up to SECRET.
- 6. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.
- 7. A determination has been made that Oman can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the policy justification.
- 8. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Oman.

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